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Re: D.T.E. 03-121

June 18, 2004

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station – 2nd Floor
Boston, MA 02110

Dear Secretary Cottrell:

On January 16, 2004, Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company ("Companies") filed for approval by the Department of Telecommunications and Energy (Department"), tariffs designed to establish standby rates for large and medium-sized commercial and industrial customers with onsite, self-generation facilities. Associated Industries of Massachusetts (A.I.M.) appreciates the opportunity to provide comments in support of the settlement agreement.

A.I.M. encourages the Department to accept the proposed settlement regarding standby rates for not only the NSTAR service companies, but also to use this agreement as a template for other utilities as appropriate. The settlement strikes a reasonable balance needed to promote distributed generation, to recognize the value of renewables, and not to create an unfair burden on customers that do not install or benefit from distributed generation. It is important to note that the signatories of this settlement <u>all represent very diverse interests</u> and their support of this agreement should signal to the Department the importance of continuing to move this difficult and complex issue forward.

In response to comments filed by the Energy Consortium and the NE DG Coalition, we would make the following observations. Although A.I.M. did not seek discovery or present direct testimony in this case, our questions in most instances were competently handled and conveyed by Cindy Arcate (Massachusetts Division of Energy Resources) and Colleen McConnell (Massachusetts Attorney General's Office). A.I.M. appreciates their representation of customers in this proceeding and the representation by individual businesses, other associations and advocates.

While it is true that A.I.M. represents all sides of this issue, contrary to comments made by the Coalition and the Energy Consortium the diverse membership of A.I.M. heightens the importance of our involvement in the settlement. The "ambivalence" asserted in recent comments could not be more inaccurate. A.I.M. from the beginning of this proceeding, and throughout our participation over the past two years in the distributed generation collaborative, has sought a balanced and reasonable solution for distributed generation. This settlement provides balance.

A.I.M. looks forward to continuing to play a role in finding reasonable workable solutions within the context of the distributed generation collaborative as we work together towards standardize interconnection standards for all utilities in Massachusetts.

If you have any questions, or if I can be of further assistance, please do not hesitate to contact me.

Sincerely.

Angela M. O'Connor

Vice President of Energy Programs

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Robert Ruddock General Counsel

AO/RRR:gm

MISSION STATEMENT: Established in 1915, Associated Industries of Massachusetts is the largest nonprofit, nonpartisan association of Massachusetts employers. A.I.M.'s mission is to promote the well-being of its members and their employees and the prosperity of the Commonwealth of Massachusetts by improving the economic climate of Massachusetts, proactively advocating fair and equitable public policy, providing relevant, reliable information and excellent services.